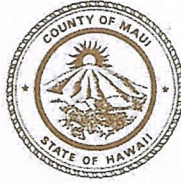


**MICHAEL P. VICTORINO**  
Mayor

**SCOTT K. TERUYA**  
Director

**MAY-ANNE A. ALIBIN**  
Deputy Director



**DEPARTMENT OF FINANCE**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.mauicounty.gov](http://www.mauicounty.gov)

August 23, 2021

OFFICE OF THE  
COUNTY COUNCIL

2021 AUG 25 PM 3:10

RECEIVED

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

**APPROVED FOR TRANSMITTAL**

*Michael P Victorino* 8/25/21  
Mayor Date

For Transmittal to:

Honorable Gabe Johnson, Chair  
Affordable Housing Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Johnson:

**SUBJECT: HOUSING PROJECTS UNDER CHAPTER 201H, HAWAII  
REVISED STATUTES (HŌKŪAO HOUSING PROJECT)  
(LĀNAʻI CITY)) (AH-1(1))**

Pursuant to your request dated August 18, 2021, relating to the Hōkūao Housing Project in Lānaʻi City, please see our response below:

1. What is the meaning of these notes in the Developer's application materials?

*Response: TMK 490020610000 is receiving tax relief for agriculture use on 10,958 acres. Under Maui County Code (MCC) 3.48.325 Deferred or roll back tax – change in classification, parcels receiving agricultural use assessments may be subject to roll back taxes if they violate the terms of the ordinance. Reasons for roll back or deferred taxes include subdivision into parcels of five acres or less or a change in land use classification from agriculture to urban or rural.*

*TMK 490020520000 is leased to the State of Hawaii so it is currently non-taxable. If it was discovered that the lease to the State of Hawaii was canceled, the parcel may become retroactively taxed based upon MCC 3.48.530 B because it would no longer be eligible for a government exemption from taxation.*

*TMK 490140010000 is partially leased to the DLNR. The portion leased to the DLNR is exempt from taxation. If the lease gets canceled or has been canceled, the parcel may be subject to taxation under MCC 3.48.530 B because it would no longer be eligible for a government exemption from real property taxation.*

2. What is the distinction, if any, between notes (a) and (b), since (b) contains the added language “due to possible loss of exemption status”?

*Response: The distinction between the notes is due to differing tax relief programs. TMK 490020610000 is receiving tax relief from MCC 3.48.320 Land Classified as agriculture or commercialized residential and used for agriculture. TMKs 490020520000 and 490140010000 are benefiting from a government exemption under MCC 3.48.530.*

3. What is the significance of only two of the three subject parcels containing these notes?

*Response: TMK 490020520000 is subject to a government lease exemption so it is possible that it should have a note similar to 490140010000. The title company who issued the report should be able to answer that question. It should be noted that these notes were not created by the Real Property Assessment Division. The division is answering these questions to the best of their ability.*

4. Please confirm whether there are taxes due and owing on the subject parcels (TMKs: (2) 4-9-002:061; (2) 4-9-014:001; and (2) 4-9-014:009).

*Response: All three are current on their taxes. Current tax bills have been attached to this correspondence.*

Honorable Gabe Johnson, Chair  
Affordable Housing Committee  
August 23, 2021  
Page 3

Should you have any questions, please feel free to contact me at extension 7474.

Sincerely,



SCOTT K. TERUYA  
Director of Finance

Attachments

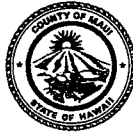
SKT/mm

Council Chair  
Alice L. Lee

Vice-Chair  
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Gabe Johnson  
Kelly Takaya King  
Michael J. Molina  
Tamara Paltin  
Shane M. Sinenci  
Yuki Lei K. Sugimura



**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

August 18, 2021

Director of Council Services  
Traci N. T. Fujita, Esq.  
Deputy Director of Council Services  
David M. Raatz, Jr., Esq.

RECEIVED  
COUNTY OF MAUI  
2021 AUG 19 AM 8:24  
DEPARTMENT OF FINANCE

Mr. Scott Teruya, Director  
Department of Finance  
County of Maui  
Wailuku, Hawaii 96793

Dear Mr. Teruya:

**SUBJECT: HOUSING PROJECTS UNDER CHAPTER 201H,  
HAWAII REVISED STATUTES (HŌKŪAO HOUSING  
PROJECT) (LĀNA'I CITY)) (AH-1(1))**

At its meeting of August 16, 2021, the Affordable Housing Committee discussed the 201H application for the Hōkūao Housing Project in Lānaʻi City. The subject parcels are identified as Tax Map Keys: (2) 4-9-002:061 (por.), (2) 4-9-014:001 (por.), and (2) 4-9-014:009 (por.).

Volume I of III of the Developer's application containing land ownership documentation includes references to "Real Property Taxes, if any, that may be due and owing," and the following notes:

- (a) Schedule B Exceptions, item one, relating to TMKs: (2) 4-9-002:061 and (2) 4-9-002-052 (the latter TMK is not part of the project):

"Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes."

- (b) Schedule B Exceptions, item one, relating to TMK: (2) 4-9-014:001:

"Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes due to possible loss of exemption status."

Mr. Scott Teruya  
August 18, 2021  
Page 2

May I please request the Department's response to the following:

1. What is the meaning of these notes in the Developer's application materials?
2. What is the distinction, if any, between notes (a) and (b), since (b) contains the added language "due to possible loss of exemption status"?
3. What is the significance of only two of the three subject parcels containing these notes?
4. Please confirm whether there are taxes due and owing on the subject parcels (TMKs: (2) 4-9-002:061, (2) 4-9-014:001, and (2) 4-9-014:009).

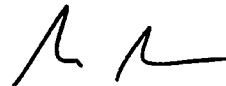
The extracted pages containing the notes are attached for your reference. The complete application document can be found on Granicus and at the following link: <https://tinyurl.com/4kejc289>.

Given the mandatory deadline for this item under the 201H process, may I please request the Department's expedited response by the next Committee meeting date of **Wednesday, August 25, 2021**.

To ensure efficient processing, please transmit your response to [ah.committee@mauicounty.us](mailto:ah.committee@mauicounty.us) and include the relevant Committee number in the subject line of your response.

Should you have any questions, please contact me or Committee staff (Alison Stewart at ext. 7661, or Rayna Yap at ext. 8007).

Sincerely,



GABE JOHNSON, Chair  
Affordable Housing Committee

ah:ltr:001(1)afn01:ans

Attachment

cc: Mayor Michael P. Victorino

**SCHEDULE B  
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key(s): (2) 4-9-002-061 and (2) 4-9-002-052.

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Mineral and water rights of any nature.
3. Any and all matters not shown in the Indices described in Schedule A.
4. The terms and provisions contained in the following:

INSTRUMENT : PRIVATE WATER SYSTEM AGREEMENT

DATED : April 9, 1984

RECORDED : Liber 17877 Page 762

PARTIES : CASTLE & COOKE, INC., a Hawaii corporation, and the COUNTY OF MAUI and its DEPARTMENT OF WATER SUPPLY

(Not noted on Transfer Certificate(s) of Title referred to herein)

5. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT FOR DEVELOPMENT AND COORDINATION OF AN AFFORDABLE HOUSING PROGRAM

DATED : April 30, 1987

RECORDED : Liber 20640 Page 417

PARTIES : LANAI COMPANY, INC., a Hawaii corporation, and the COUNTY OF MAUI

**SCHEDULE B  
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 4-9-014-001      Area Assessed: 83.980 acres

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes due to possible loss of exemption status.

2. Mineral and water rights of any nature.
3. Any and all matters not shown in the Indices described in Schedule A.

4. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)

DATED : June 9, 1988

FILED : Land Court Document No. 1558117

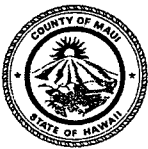
PARTIES : CASTLE & COOKE, INC., a Hawaii corporation, "Owner" and the COUNTY OF MAUI, a body public and corporate, and a political subdivision of the State of Hawaii, "County"

5. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : June 9, 1988

FILED : Land Court Document No. 1558118



COUNTY OF MAUI  
DEPARTMENT OF FINANCE - TREASURY DIVISION  
ACCOUNTS RECEIVABLES & TAX RELIEF SECTION  
110 'ALA'IHI STREET, #108, KAHULUI, HI 96732  
Phone (808) 270-7697 Fax (808) 270-7702  
Website: www.mauipropertytax.com

# MAUI REAL PROPERTY TAX BILL

## REMEMBER TO:

Sign & date the check? Post-dated checks **NOT accepted**.  
Write your tax map key number(s) on your check?  
Enclose bottom portion of the Tax bill(s) with your payment?

If your payment is not the amount shown on your enclosed bill(s) and/or accompanied with a bill, **provide your tax map key number(s)**.

Payment must be U.S. POSTMARKED on or before the due dates  
Important details on back of this bill.



2-4-9-002-061-0000-000  
**LANAI RESORTS LLC**  
733 BISHOP ST, SUITE 1500  
HONOLULU HI 96813

Pursuant to MCC 3.48.590 Minimum Tax is \$350.00.

This bill is for the entire amount due on the property  
and NOT PRORATED according to ownership.

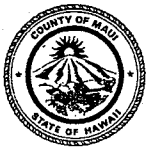
### IMPORTANT INFORMATION ON REVERSE SIDE

### KEEP THIS PORTION FOR YOUR RECORDS

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-4-9-002-061-0000-000	08/23/2021	\$0.00	\$39,250.63	\$39,250.63	\$0.00

Description	Year/ Cycle	Tax Due Date	Tax/Assmt Less Payments	Credit	Net Tax	Penalty	Interest	Other	Total
REAL PROPERTY 2021 - 2 02/22/2022			39,250.63	0.00	39,250.63	0.00	0.00	0.00	39,250.63
TOTAL:			39,250.63	0.00	39,250.63	0.00	0.00	0.00	39,250.63





COUNTY OF MAUI  
DEPARTMENT OF FINANCE - TREASURY DIVISION  
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2-4-9-014-001-0000-000

LANAI RESORTS LLC  
733 BISHOP ST, SUITE 1500  
HONOLULU HI 96813

Pursuant to MCC 3.48.590 Minimum Tax is \$350.00.

This bill is for the entire amount due on the property  
and NOT PRORATED according to ownership.

IMPORTANT INFORMATION ON REVERSE SIDE

KEEP THIS PORTION FOR YOUR RECORDS

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-4-9-014-001-0000-000	08/23/2021	\$0.00	\$985.07	\$985.07	\$0.00

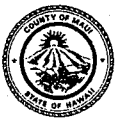
  

Description	Year/ Cycle	Tax Due Date	Tax/Assmt Less Payments	Credit	Net Tax	Penalty	Interest	Other	Total
REAL PROPERTY 2021 - 2 02/22/2022			985.07	0.00	985.07	0.00	0.00	0.00	985.07
TOTAL:			985.07	0.00	985.07	0.00	0.00	0.00	985.07

PROPERTY OWNER:  
LANAI RESORTS LLC, SOH-DEPT OF HUMAN SERVICES, ETAL

PROPERTY ADDRESS:  
FRASER AVE  
LANAI 96763

08202012



COUNTY OF MAUI  
DEPARTMENT OF FINANCE - TREASURY DIVISION  
ACCOUNTS RECEIVABLES & TAX RELIEF SECTION  
110 'ALA'IHI STREET, #108, KAHULUI, HI 96732  
Phone (808) 270-7697 Fax (808) 270-7702  
Website: www.mauipropertytax.com

**MAUI REAL PROPERTY TAX BILL****CHANGE OF ADDRESS**

We have moved to a new location as of January 19, 2021.  
Please update your records with our new address to avoid any delay.  
Mahalo!

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-4-9-014-001-0000-000	08/23/2021	\$0.00	\$985.07	\$985.07	\$0.00



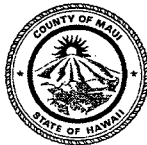
Make checks payable to: **County of Maui**  
Please make check payable for real property taxes only.

AMOUNT PAID \$

LANAI RESORTS LLC  
733 BISHOP ST, SUITE 1500  
HONOLULU HI 96813



249014001000000010000000000009850700000



COUNTY OF MAUI  
DEPARTMENT OF FINANCE - TREASURY DIVISION  
ACCOUNTS RECEIVABLES & TAX RELIEF SECTION  
110 'ALA'IHI STREET, #108, KAHULUI, HI 96732  
Phone (808) 270-7697 Fax (808) 270-7702  
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# MAUI REAL PROPERTY TAX BILL

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Important details on back of this bill.



2-4-9-014-009-0000-000

**LANAI RESORTS LLC**  
**733 BISHOP ST, SUITE 1500**  
**HONOLULU HI 96813**

Pursuant to MCC 3.48.590 Minimum Tax is \$350.00.

This bill is for the entire amount due on the property  
and NOT PRORATED according to ownership.

## IMPORTANT INFORMATION ON REVERSE SIDE

## KEEP THIS PORTION FOR YOUR RECORDS

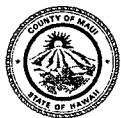
TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-4-9-014-009-0000-000	08/23/2021	\$0.00	\$2,598.84	\$2,598.84	\$0.00

Description	Year/ Cycle	Tax Due Date	Tax/Assmt Less Payments	Credit	Net Tax	Penalty	Interest	Other	Total
REAL PROPERTY 2021 - 2 02/22/2022			2,598.84	0.00	2,598.84	0.00	0.00	0.00	2,598.84
TOTAL:			2,598.84	0.00	2,598.84	0.00	0.00	0.00	2,598.84

**PROPERTY OWNER:**  
LANAI RESORTS LLC, MAUI ELECTRIC CO

**PROPERTY ADDRESS:**  
FRASER AVE  
LANAI 96763

0820212



COUNTY OF MAUI  
DEPARTMENT OF FINANCE - TREASURY DIVISION  
ACCOUNTS RECEIVABLES & TAX RELIEF SECTION  
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Phone (808) 270-7697 Fax (808) 270-7702  
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Mahalo!

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-4-9-014-009-0000-000	08/23/2021	\$0.00	\$2,598.84	\$2,598.84	\$0.00

Make checks payable to: **County of Maui**

Please make check payable for real property taxes only.

AMOUNT  
PAID \$

**LANAI RESORTS LLC**  
**733 BISHOP ST, SUITE 1500**  
**HONOLULU HI 96813**



249014009000000010000000000025988400001